



**PROMISSORY NOTE**

Doc#: 0617248001 Fee: \$66.00  
Eugene "Gene" Moore  
Cook County Recorder of Deeds  
Date: 06/21/2006 09:29 AM Pg: 1 of 7

\$22,000.00  
Frankfort, Illinois

May 30, 2006 (the "Effective Date")

**1. Agreement to Pay.**

FOR VALUE RECEIVED, James Tammaro ("**Borrower**") promises to pay to the order of **Intervest Global Equity Bond Fund, LLC**, its successors and assigns ("**Lender**"), the principal sum of Twenty-Two Thousand Dollars and 00/100 (\$22,000.00) ("**Loan**"), at the place and in the manner provided in this Note, together with interest at the rate or rates described below, and any and all other amounts which are due and payable from time to time.

**2. Interest Rate.**

**2.1 Interest Prior to Default.**

Interest will accrue on the outstanding principal balance of this Note from this date through February 25, 2007, ("**Maturity Date**") at an annual rate equal to twelve percent (12%) ("**Loan Rate**").

**2.2 Interest After Default.**

From and after the Maturity Date or upon the occurrence and during the continuance of an Event of Default, interest shall accrue on the balance of principal remaining unpaid during any such period at an annual rate ("**Default Rate**") equal to five percent (5%) plus the Loan Rate; provided, however, in no event shall the Default Rate exceed the maximum rate permitted by law. The interest accruing under this paragraph is immediately due and payable by Borrower to the holder of this Note upon demand and is additional indebtedness evidenced by this Note.

**2.3 Interest Calculation.**

Interest on this Note will be calculated on the basis of a 365-day year and the actual number of days elapsed in any portion of a month in which interest is due.

**3. Payment Terms.**

**3.1 Principal and Interest.**

Payments of principal and interest due under this Note, if not sooner declared to be due in accordance with the provisions hereof, shall be made as follows:

Principal and interest payments shall be made as set forth in schedule I attached hereto, Interest, shall be payable quarterly in arrears commencing on the first (1st) day of the second (2nd) month following the date ("**Disbursement Date**") that the proceeds of the Loan are disbursed by Lender to or on behalf of Borrower and continuing on the first (1st) day of each month thereafter until the entire "Indebtedness" (as hereinafter defined) evidenced by this Note is paid in full; except that a final balloon payment of all outstanding principal, interest and any other Indebtedness, if not sooner paid, shall be due and payable on the **29th day of February, 2007** ("**Maturity Date**"). Interest shall be charged only on the principal balance of the Loan outstanding from time to time and other advances at any time disbursed under this Note or the

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other Loan Documents and not repaid. Interest shall be calculated on the basis of a three hundred sixty five (365) day year. For the purposes of this Note, the term "**Indebtedness**" shall mean (i) the principal and interest (of whatever nature) owed to Lender hereunder, and all other debts, obligations and liabilities of Borrower hereunder.

### **3.2 Application of Payments.**

Prior to the occurrence of an Event of Default, all payments and prepayments on account of the indebtedness evidenced by this Note will be applied as follows: (a) first, to fees, expenses, costs and other similar amounts then due and payable to Lender, including, without limitation any prepayment premium, exit fee or late charges due hereunder, (b) second, to accrued and unpaid interest on the principal balance of this Note, (c) third, to the payment of principal due in the month in which the payment or prepayment is made, (d) fourth, to any escrows, impounds or other amounts which may then be due and payable under the Loan Documents (as hereinafter defined), (e) fifth, to any other amounts then due Lender hereunder or under any of the Loan Documents, and (f) last, to the unpaid principal balance of this Note in the inverse order of maturity. Any prepayment on account of the indebtedness evidenced by this Note shall not extend or postpone the due date or reduce the amount of any subsequent monthly payment of principal and interest due hereunder. After an Event of Default has occurred and is continuing, payments may be applied by Lender to amounts owed hereunder and under the Loan Documents in such order as Lender shall determine, in its sole discretion.

### **3.3 Method of Payments.**

All payments of principal and interest hereunder must be paid by automatic debit, wire transfer, check or in coin or currency which, at the time or times of payment, is the legal tender for public and private debts in the United States of America and must be made at such place as Lender or the legal holder or holders of this Note may from time to time appoint in the payment invoice or otherwise in writing, and in the absence of such appointment, then at the offices of Lender at 20550 S Lagrange Road Frankfort, IL 60423. Payment made by check is considered paid on the date Lender receives such check; provided, however, that if such check is subsequently returned to Lender unpaid due to insufficient funds or otherwise, the payment will not be considered to have been made and will continue to bear interest until collected. Notwithstanding the foregoing, the final payment due under this Note must be made by wire transfer or other final funds.

### **3.4 Late Charge.**

If any payment of interest or principal due under this Note is not made within five days after such payment is due in accordance with the terms hereof, then, in addition to the payment of the amount so due, Borrower shall pay to Lender a "late charge" of five cents for each whole dollar so overdue to defray part of the cost of collection and handling such late payment. Borrower agrees that the damages to be sustained by the holder hereof for the detriment caused by any late payment are extremely difficult and impractical to ascertain, and that the amount of five cents for each one dollar due is a reasonable estimate of such damages, does not constitute interest, and is not a penalty.

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## 3.5 Prepayment.

(a) As long as no Event of Default then exists, Borrower may voluntarily prepay the principal balance of this Note, in whole but not in part, at any time on or after this date.

## 3.6 Recourse.

The Loan is a full recourse obligation of Borrower and Borrower is personally liable for the obligations evidenced hereby.

## 4. Security.

This Note is secured by a Junior Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement ("**Mortgage**"), dated this date herewith made by Borrower to Lender creating a second mortgage lien on certain real property ("**Premises**") legally described in Exhibit A attached to the Mortgage and an Environmental Indemnity Agreement ("**Indemnity Agreement**") dated this date from Borrower to Lender. The Mortgage and the Indemnity Agreement and any other document now or later given to evidence or secure payment of this Note or delivered to induce Lender to disburse the proceeds of the Loan, as such documents may be amended, restated or replaced from time to time, are collectively referred to as the "**Loan Documents**". Reference is made to the Loan Documents (which are incorporated by reference as fully and with the same effect as if set forth at length) for a statement of the covenants and agreements, a statement of the rights, remedies, and security afforded.

## 5. Events of Default.

(a) Failure of Borrower to pay when due any sum secured hereby, including, but not limited to, any installment of principal or interest or both thereon;

(b) Failure of Borrower to comply with any of the requirements of Paragraph 3.08 of the Junior Mortgage;

(c) Failure of Borrower to perform or observe any other covenant, warranty or other provision contained in this Mortgage and not otherwise covered in any of the other provisions of this Paragraph 5; provided if such default is capable of being cured, Borrower shall have a period of thirty (30) days after the date on which written notice of the nature of such failure is given by Lender to Borrower to cure such default; if any, provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, Borrower shall not be deemed to be in default and Borrower shall have an additional thirty (30) days to cure such default if Borrower shall within such thirty (30) day period commence such cure and thereafter diligently prosecute the same to completion.

(d) Any untruth or material deceptiveness or inaccuracy of any representation or warranty contained in the Note, this Mortgage or any other Loan Document, or any writing pertaining to the foregoing submitted to Lender by or on behalf of Borrower or any guarantor of payment of the Note or the failure to perform any covenant set forth in any of such agreement;

(e) Admission by Borrower in writing, including, without limitation, an answer or other pleading filed in any court, of such Borrower's or any such guarantor's insolvency or inability to pay its debts generally as they fall due;

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(f) Any default under the First Mortgage or any of the other loan documents related thereto.

(g) Institution by Borrower of bankruptcy, insolvency, reorganization or arrangement proceedings of any kind under the Federal Bankruptcy Code, whether as now existing or as hereafter amended, or any similar debtors' or creditors' rights law, whether federal or state, now or hereafter existing, or the making by Borrower or any guarantor of payment of the Note of a general assignment for the benefit of creditors;

(h) Institution of any proceedings described in Paragraph 4.01(g) of the Junior Mortgage against Borrower or any guarantor of payment of the Note that are consented to by Borrower or any guarantor of payment of the Note or are not dismissed, vacated, or stayed within sixty (60) days after the filing thereof;

(i) Appointment by any court of a receiver, trustee or liquidator of or for, or assumption by any court of jurisdiction of, all or any part of the Mortgaged Property or all or a major portion of the property of Borrower if such appointment or assumption is consented to by Borrower or if, within sixty (60) days after such appointment or assumption, such receiver, trustee or liquidator is not discharged or such jurisdiction is not relinquished, vacated or stayed;

(j) Declaration by any court or governmental agency of the bankruptcy or insolvency of Borrower;

(k) The occurrence of any default or event of default under the terms of any of the Loan Documents after the expiration of the applicable notice and grace period, if any;

(l) Any material adverse change in the financial condition of Borrower or the conditions of the Premises which causes Lender to reasonably deem itself to be insecure.

Borrower acknowledges and understands that the security granted to Lender under the Mortgage constitute security for the Indebtedness (as defined in the Mortgage) and the repayment of the First Mortgage and the Junior Mortgage ("Loans"). Therefore, a default under any of the Loans will constitute a default under all of the Loans and this Note, and a default under this Note will constitute a default under all of the Loans accordingly, upon the occurrence of an Event of Default under this Note or the Loan Documents, Lender may exercise any and all remedies available to it under this Note and the Loan Documents and may elect to enforce its rights against the Premises and/or any of the Collateral.

## **6. Covenants and Waivers.**

Borrower and all others who now or may at any time become liable for all or any part of the obligations evidenced by this Note, expressly agree to be jointly and severally bound, and jointly and severally: (i) waive and renounce any and all homestead, redemption and exemption rights and the benefit of all valuation and appraisal privileges against the indebtedness evidenced by this Note or by any extension or renewal; (ii) waive presentment and demand for payment, notices of nonpayment and of dishonor, protest of dishonor, and notice of protest; (iii) except as expressly provided in the Loan Documents, waive any and all notices in connection with the delivery and acceptance and all other notices in connection with the performance, default, or enforcement of the payment; (iv) waive any and all lack of diligence and delays in the enforcement of the payment; (v) agree that the liability of each Borrower, guarantor, endorser or obligor is unconditional and without regard to the liability of any other

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person or entity for the payment hereof, and will not in any manner be affected by any indulgence or forbearance granted or consented to by Lender to any of them; (vi) consent to any and all extensions of time, renewals, waivers, or modifications that may be granted by Lender with respect to the payment or other provisions hereof, and to the release of any security at any time given for the payment, or any part, with or without substitution, and to the release of any person or entity liable for the payment; and (vii) consent to the addition of any and all other makers, endorsers, guarantors, and other obligors for the payment, and to the acceptance of any and all other security for the payment of the obligations evidenced by this Promissory Note, and agree that the addition of any such makers, endorsers, guarantors or other obligors, or security shall not affect the liability of Borrower, any guarantor and all others now liable for all or any part of the obligations evidenced hereby. This provision is a material inducement for Lender making the Loan to Borrower.

## **7. Other General Agreements.**

(a) The Loan is a business loan that comes within the purview of Section 205/4, paragraph (1)(c) of Chapter 815 of the Illinois Compiled Statutes, as amended. Borrower agrees that the Loan evidenced by this Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C., Section 1601, et seq.

(b) Time is of the essence under this Note.

(c) This Note is governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects by the statutes, laws and decisions of the State of Illinois. This Note may not be changed or amended orally but only by an instrument in writing signed by the party against whom enforcement of the change or amendment is sought.

(d) Lender should not be construed for any purpose to be a partner, joint venturer, agent or associate of Borrower or of any lessee, operator, concessionaire or licensee of Borrower in the conduct of its business, and by the execution of this Note, Borrower agrees to indemnify, defend, and hold Lender harmless from and against any and all damages, costs, expenses and liability that may be incurred by Lender as a result of a claim that Lender is such partner, joint venturer, agent or associate.

(e) This Note has been made and delivered at Frankfort, Illinois and all funds disbursed to or for the benefit of Borrower will be disbursed in Frankfort, Illinois.

(f) If this Note is executed by more than one party, the obligations and liabilities of each Borrower under this Note are joint and several and are binding upon and enforceable against each Borrower and their respective successors and assigns. This Note inures to the benefit of and may be enforced by Lender and its successors and assigns.

(g) If any provision of this Note is determined to be invalid by reason of the operation of law, or by reason of the interpretation by any administrative agency or any court, Borrower and Lender agree to negotiate an equitable adjustment in the provisions of the same in order to effect, to the maximum extent permitted by law, the purpose of this Promissory Note, the other Loan Documents (including any Mortgage or other lien provided for therein, and the right to enforce such security) and the validity and



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enforceability of the remaining provisions, or portions or applications, will not be affected and will remain in full force and effect.

(h) If the interest provisions in this Note or in any of the Loan Documents results, at any time during the Loan, in an effective rate of interest which, for any month, exceeds the limit of usury or other laws applicable to the Loan, all sums in excess of those lawfully collectible as interest of the period in question shall, without further agreement or notice between or by any party hereto, be applied upon principal immediately upon receipt of such monies by Lender, with the same force and effect as though the payer has specifically designated such extra sums to be so applied to principal and Lender had agreed to accept such extra payment(s) as a premium-free prepayment.

(i) Lender may at any time assign all or any part of its rights in this Note and the Loan Documents, and transfer its rights in any or all of the collateral, and Lender then will be relieved from all liability with respect to such collateral. In addition, any holder hereof may sell one or more participations or other interest, whether direct or indirect in the Note. Borrower may not assign all or any part of its interest in this Note, or any other agreement with Lender, either voluntarily or by operation of law, without the prior written consent of Lender.

(j) All amounts due to the Lender hereunder shall be paid without deduction, setoff or counterclaim, and the Borrower hereby expressly waives any such rights to deduction, setoff or counterclaim.

## **8. Notices.**

All notices required under this Note must be in writing and must be transmitted in the manner and to the addresses or facsimile numbers required by the Mortgage, or to such other addresses or facsimile numbers as Lender and Borrower may specify from time to time in writing.

## **9. Consent to Jurisdiction.**

**TO INDUCE LENDER TO ACCEPT THIS NOTE, BORROWER IRREVOCABLY AGREES THAT, SUBJECT TO LENDER'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS NOTE WILL BE LITIGATED IN COURTS HAVING SITUS IN CHICAGO, ILLINOIS. BORROWER CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY COURT LOCATED WITHIN CHICAGO, ILLINOIS, WAIVES PERSONAL SERVICE OF PROCESS UPON BORROWER, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO BORROWER AT THE ADDRESS STATED IN THE MORTGAGE AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.**

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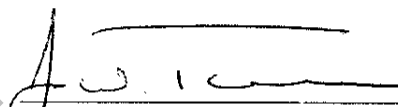
**10. Waiver of Jury Trial.**

**BORROWER AND LENDER (BY ACCEPTANCE OF THIS NOTE), HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS NOTE OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS NOTE OR (b) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS NOTE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. BORROWER AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST LENDER ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.**

Borrower has executed and delivered this Promissory Note as of the Effective Date.

**BORROWER:**

**James Tammaro**

B/:   
Name: James W. TAMMARO

PROPERTY of Cook County Clerk's Office